



HOUSE BILL 1245: Pleasant Garden/Voluntary Annexation

2013-2014 General Assembly

Committee:	House Finance	Date:	June 25, 2014
Introduced by:	Reps. Hardister, Faircloth	Prepared by:	Greg Roney
Analysis of:	PCS to First Edition H1245-CSTMx-62		Committee Counsel

SUMMARY: *The Proposed Committee Substitute (PCS) for House Bill 1245 would:*

- *Annex a parcel of land constituting approximately 26.2 acres into the corporate limits of the Town of Pleasant Garden.*
- *Deannex a parcel of land from the corporate limits of the Town of Watha.*

CURRENT LAW: Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexations. The General Assembly has not enacted any method for municipalities to *deannex* property — that power remains with the General Assembly.

Annexation is a method by which municipalities alter their boundaries. The municipality must follow the statutorily prescribed steps in order to add an area into its boundaries. The municipality must provide, or contract to provide, basic services to the area. These services include police protection, fire protection, solid waste collection and the extension of water and sewer lines to the area.

North Carolina law sets forth four basic ways in which a municipality may annex an area.

- Voluntary Annexation. – The owners of all real property in an area contiguous to the municipality desiring to be annexed sign a petition requesting annexation.
- Voluntary Satellite Annexation. – The owners of all real property in the area desiring to be annexed sign a petition requesting annexation, if it otherwise meets the statutory requirements.
- Municipal-Initiated Annexation subject to a referendum. – The municipality initiates annexation proceeding, pursuant to statutory requirements.
- Legislative Act. – The General Assembly has the authority to extend the boundaries of any municipality.

BILL ANALYSIS: Section 1 of the PCS would annex a parcel of land constituting approximately 26.2 acres into the corporate limits of the Town of Pleasant Garden.

Section 2 would deannex a parcel of land consisting of approximately 39.669 acres from the corporate limits of the Town of Watha. The act also provides that it does not affect the validity of any liens of the Town of Watha for outstanding ad valorem taxes or special assessments.

EFFECTIVE DATE: Section 1 would become effective July 1, 2014. Section 2 would become effective June 30, 2014.

Shelly DeAdder with the Research Division substantially contributed to this summary.

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